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5th July, 1960.

COCOM Document 3710.88/8

COORDINATING COMMITTEE

RECORD OF DISCUSSION

ON

INTERPRETATION OF ITEM 1088(b) - GEAR MAKING MACHINERY

23rd June, and 5th July, 1960

Present: Canada, France, Germany, Italy, Japan, Netherlands, Turkey,  
United Kingdom, United States.

References: COCOM Documents 3710.88/4 - 7.

1. The CHAIRMAN, in reopening the discussion on the interpretation of Item 1088(b), reminded the Committee that, although during the recent List Review agreement had been reached on embargoing machinery capable of the production of a module finer than 0.5 mm., there was still disagreement as to the establishment of a cut-off on the basis of maximum work-piece capacity. The United States Delegation preferred that assessment should be on a production-line basis, as they held that this would satisfactorily release from embargo all machines capable of being used only occasionally for producing fine pitch gears in limited quantities. The German and Italian Delegations, on the other hand, considered that the embargo should be interpreted as covering only machines capable of producing gears of the prohibited fineness normally and in a technically and economically advantageous manner. These two Delegations advocated the addition to the definition of an Interpretative Note to this effect. Generally speaking, other Delegations were prepared to follow the criterion applied in the United Kingdom and explained in COCOM Document 3710.88/4. Machines with a maximum work piece capacity of 4 inches or more were regarded as free from embargo, while all others were considered individually, each case being decided on its merits and submitted to the Committee if necessary. The Chairman invited further comments.
2. The UNITED STATES Delegate, referring to the list he had given on the 9th June of United States machines taking gear blanks up to 6 inches in diameter (paragraph 3 of COCOM Document 3710.88/7) stated that he wished to inform the Committee concerning two additional machines. The Gould and Eberhart Division of the Norton Company produced two hobbing machines, models 16 H. and 24 H., which were adaptable to the smallest gears on a production line basis. The company had stated that there was no practical limit to the fineness of pitch, which was merely a function of the hob which was used.
3. The UNITED KINGDOM Delegate said that the machines referred to in paragraphs 2 and 3 of COCOM Document 3710.88/7 were 6" tools and not 7" tools as had been suggested in paragraph 4 of COCOM 3710.88/5. These three 6" tools were well known to the experts of the United Kingdom, whose view was that they were not entirely suitable for producing the fine pitch gears which it was the intention of the definition of Item 1088(b) to cover. The United Kingdom experts had noted that the United States delegation had made no reference to the American machines which, in the view of the United Kingdom experts, were suitably covered by the interpretation of the definition of the item as applied in the United Kingdom; these were the Fellows 3" and the Barber and Colman 2-and-a-half to 4" tools. These were the tools that the United Kingdom experts believed would be used to make the fine gears which it was the intention of the embargo to cover.
4. The United Kingdom Delegate noted that the United States Delegation had not named any European-made tool with a workpiece capacity of 4" or over which they believed would be suitable for making very fine pitch gears.

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5. The United Kingdom Delegate stated that his Government's position had been quite simple from the start. In their Memorandum dated the 10th March they had told the Committee exactly what they were doing, and why they were doing it - as a purely administrative and practical measure. Their purpose had been served by subsequent discussion in the Committee. They had learnt that, generally speaking, most other countries were doing the same thing. In the event of re-definition proposals being submitted, the United Kingdom Delegation would be prepared to take part in the ensuing discussions. For the time being, they were content that the Committee should take note of the United Kingdom licensing practice as explained in their original Memorandum, COCOM Document 3710.88/4.

6. The ITALIAN Delegate said he had little to add to the statement recorded in paragraph 1 of COCOM Document 3710.88/7, which explained the criterion followed in Italy, which was based on Italian practice and Italian machinery. In the meantime, he had transmitted to his authorities the information provided by the United States Delegate, as set out in paragraph 3 of COCOM Document 3710.88/7, relating to machinery in use in the United States. The Italian authorities had noted the existence of the United States machines, which were not at present in use in Italy. If and when these or similar machines were adopted by the Italian industry, the authorities would give further study to the matter and would perhaps submit additional comment to the Committee and adapt their criterion as might be called for.

7. The FRENCH Delegate recalled that his Government's position had been stated on the 2nd May, as recorded in paragraph 7 of COCOM Document 3710.88/7. The French Delegation supported the United Kingdom interpretation of the definition.

8. The UNITED STATES Delegate stated, with reference to the remarks of his United Kingdom colleague, that his authorities obviously had not made a survey of this particular industry in Europe, since, as stated in COCOM Document 3710.88/5 paragraph 4, the United States had agreed from the outset that in Europe at the present time the maximum workpiece capacity of machines capable of manufacturing gears with a diametral pitch finer than 48 was 4", in contrast to the maximum of 7.5" in the United States. The principal question now at issue arose from the United Kingdom interpretation stated in COCOM Document 3710.88/4 that all machines with a maximum workpiece capacity of 4" or more were regarded as free from embargo and the further statement of the United Kingdom in COCOM Document 3710.88/6 that they were unable to agree that gears of a diametral pitch finer than 48 could be produced on a production-line basis on machines with a maximum workpiece capacity of more than 4". The United States Delegation had identified to the Committee a number of machines which met the requirements of the definition of Item 1088(b) and which had a workpiece capacity in excess of 4", all on a production-line basis, which substantiated the United States view, previously stated in COCOM Document 3710.88/5, that the interpretation proposed by the United Kingdom would free machines which the definition, as currently worded, intended for embargo coverage. The Delegate noted that his United Kingdom colleague had emphasised the fact that none of the machines described by the United States had a workpiece capacity in excess of 6". This was true, although the United States survey had not yet been completed. However, the very fact that machines were in existence with a workpiece capacity of 6" and which were capable of production-line manufacture of fine gears indicated the weakness of the United Kingdom interpretation, which assumed that no mass-production fine-gear machines existed with a work-piece capacity of over 4". As to the remarks of the United Kingdom Delegate concerning two United States machines previously referred to by the United Kingdom Delegate, the United States Delegate had no information on the Fellows machine; he could, however, confirm that the Barber Coleman Company did have machines of this type which took gear blanks in sizes less than 4". These machines were, of course, embargoed under the United States interpretation of the definition. The principal issue, however, related to machines having a capacity in excess of 4". The Delegate concluded by again expressing the hope that Member Governments would carefully consider this matter, in light of the evidence adduced and the interpretation proposed by the United States Delegation in COCOM Document 3710.88/5,

in order to assure against the unauthorised exportation of strategic machinery embargoed by the terms of the definition.

9. The CHAIRMAN concluded that, there having been no proposal for a new text, it was the Committee's wish to leave the definition unchanged for the time being and to endeavour during the autumn List Review to find a formula which could be rationally and uniformly applied in all countries.

10. The COMMITTEE concurred in this conclusion.

11. On the 5th July, the UNITED STATES Delegate informed the Committee of three additional machines with a pitch range from 16 to 96 and designed for production-line work. These machines might be equipped with loaders and un-loaders if desired. The machines referred to were manufactured by the Gleason Works, Rochester, New York, and were further identified as follows:

- 1) - No. 2, generator, handling gears up to 4-5/8 inches diameter
- 2) - No. 2A, generator, handling gears up to 4-and-a-half inches diameter
- 3) - No. 3, straight bevel generator, up to 4-and-a-half inches DP